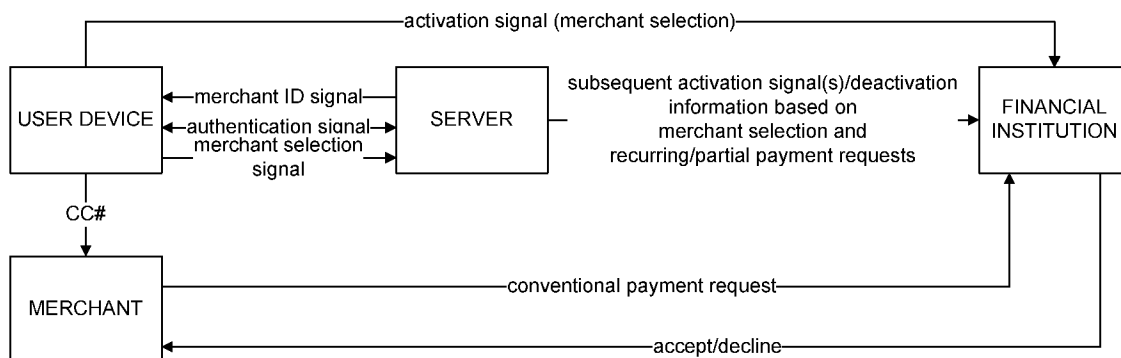


### REMARKS

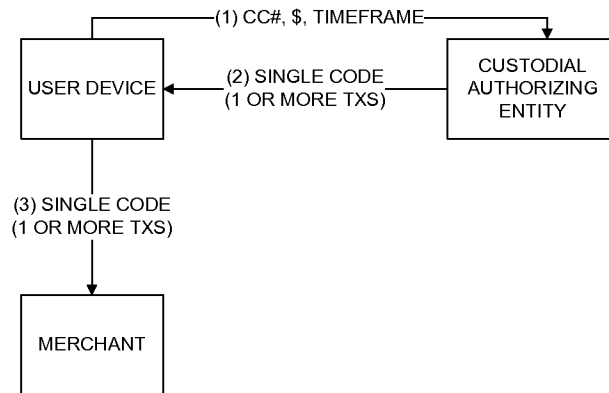
The following remarks are submitted to be fully responsive to the Final Office Action of June 10, 2009. Claims 1, 3-5, 9-18, 20-22, 26-27 and 30-61 are now pending in the present application, with claims 1, 4, 9, 18, 26-27 amended and with claims 2, 6-8, 19, 23-25 and 28-29 cancelled. No new matter is introduced. Reconsideration and allowance of the present application in view of the following remarks are respectfully requested.

First, Applicants wish to thank Examiner Wong for the personal interview conducted with Applicants' undersigned attorney on August 18, 2009. During the interview, Applicants' undersigned attorney noted the novel features of the invention of independent claims 1 and 26-27, as amended, as substantially submitted herewith, over the applied references. Although no agreement was reached, the examiner indicated that the claim amendments corresponding to the below diagram, and reciting the signals that go between the client, server and merchant devices, especially with respect to recurring/partial payments, would overcome the previously applied prior art references.



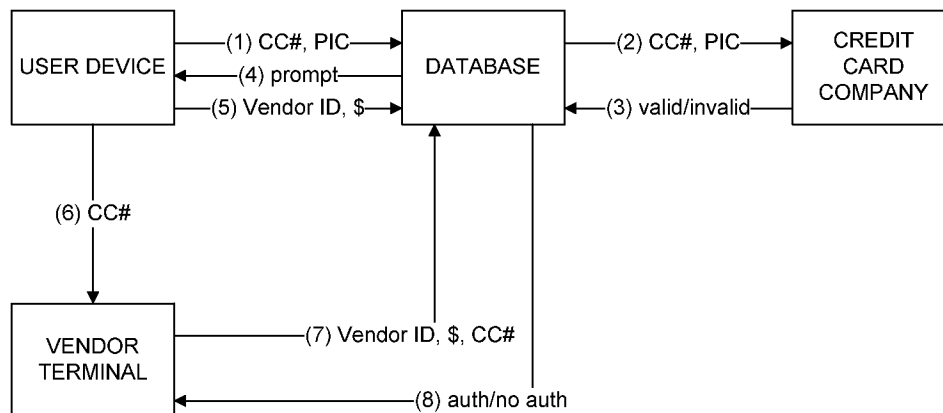
Specifically, D'Agostino (USP 6,324,526), corresponding to the below diagram, as noted during the interview, merely discloses a method and system for performing secure credit card purchases, wherein a single transaction code can be used for authorizing multiple merchant transactions.

USP 6.324.526 D'Agostino



The primary references, Checchio (United States Patent 6,052,675), corresponding to the below diagram, merely discloses a method and system for pre-authorizing credit card type transactions, wherein all transactions must be preauthorized for a specific vendor and dollar amount, a personal ID code (PIC) must be stored with the credit card company, and a vendor terminal must be provided for each vendor.

USP 6.052.675 Checchio

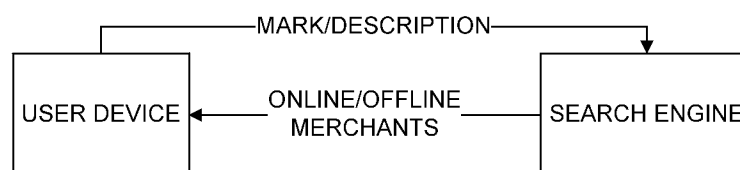


Accordingly, as noted during the interview, even if Chechio were modified by the disclosure of D'Agostino, the resulting system would include preauthorization for a specific vendor, dollar amount and multiple transactions using **a single unique transaction code**. By contrast, the pending claims require that if a payment request comprises a recurring payment request or a partial payment request, **processing the partial payment request including generating one or more subsequent activation signals by the server** and generating deactivation information based on the selection of the merchant by the user for processing remaining payments or **processing the recurring payment request including generating one or more subsequent activation signals by the server** and generating deactivation information based on the selection of the merchant by the user for processing recurring payments, and the generation of the subsequent activation signals by the server do not require user authentication. The noted features recited independent claims 1 and 26-27, as amended, patentably distinguish over all of the previously applied references.

Advantageously, the invention of amended independent claims 1, 26 and 27 can protect a conventional credit card, for example, if it is lost or stolen and can be used to process recurring or partial payment requests of both online and offline merchants.

The remaining previously applied references fail to cure the noted deficiencies in Chechio when modified by D'Agostino. Specifically, Berke (United States Patent 6,629,092), as shown below, merely discloses a search engine that can provide listings for online and offline merchants, but does not address merchant selection for performing transactions and for generating activation signals for the transactions for protecting a conventional credit card, for example, if it is lost or stolen.

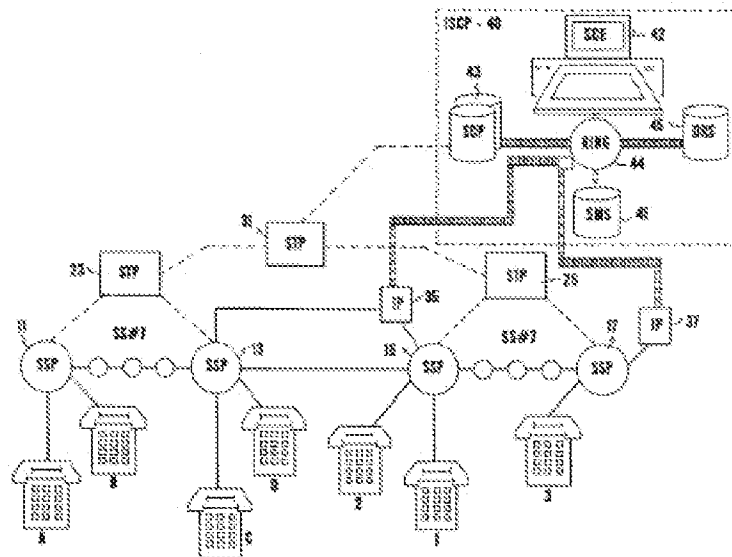
USP 6,629,092 Berke



Based on the disclosure of Chechio, even in view of Berke, one of ordinary skill in the art would not be led to “providing via a server an identification of both online and offline merchants for selection by a user” in view of Chechio’s requirement of pre-authorization of all vendors by the user. Berke also fails to disclose, teach or suggest the noted features recited independent claims 1 and 26-27, as amended.

McAllister (United States Patent 5,513,250), as shown below, merely discloses a system and method for enhancing the security of use of a transaction device, such as a credit card, through a telephone system, wherein the subscriber may establish through the telephone network a series of parameters which must be satisfied in order to activate the credit card to permit validation by passage of the card through the conventional point-of-sale magnetic swiping device. The parameters may include subscriber establishment of an activation time frame, an activation area, a dollar limit on purchasing power, a temporary PIN valid subject to satisfaction of the other parameters, and voice verification.

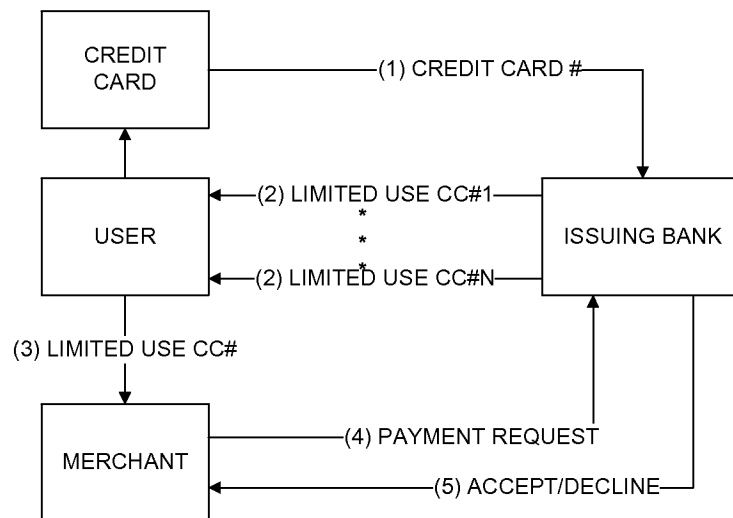
USP 5,513,250 McAllister



However, McAllister also fails to cure the noted deficiencies in Chechio and D'Agostino and thus also fails to disclose, teach or suggest the noted features recited independent claims 1 and 26-27, as amended.

Filtcroft et al. (United States Patent Application 20030028481), as shown below, merely discloses generating limited use credit card numbers, based on a conventional credit card, for performing merchant transactions.

USPA 2003/0028481 Filtcroft et al.



However, Filtcroft et al. also is not concerned with protecting a conventional credit card, for example, if it is lost or stolen and also fails to disclose, teach or suggest the noted features recited independent claims 1 and 26-27, as amended

By contrast, the invention of independent claims 1 and 26-27, advantageously, can protect conventional credit or debit cards, for example, if they are lost or stolen, by virtue of activation and de-activation commands sent to a financial institution for activating the conventional credit or debit card in order for a transaction to be processed and can be used for processing of recurring payment or a partial payment requests, based on subsequent activation/deactivation signals from the server to the financial institution.

The dependent claims are allowable over the applied references, alone or in combination, on their own merits and for at least the reasons argued above with respect to independent claims 1 and 26-27.

In view of the foregoing, it is submitted that the present application is in condition for allowance and a notice to that effect is respectfully requested. However, if the Examiner deems that any issue remains after considering this response, the Examiner is invited to contact the undersigned attorney to expedite the prosecution and engage in a joint effort to work out a mutually satisfactory solution.

Respectfully submitted,

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